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LATIN AMERICAN LIBERATION THEOLOGY IN  
ITS ECONOMIC AND HISTORICAL CONTEXT:  
LATIN AMERICA'S SELF-UNDERSTANDING  
FROM 1960 THROUGH TODAY

by

Linda Beyus

B.A., University of Connecticut, 1971

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## THESIS READERS:

**Dr. Kwok Pui Lan, B.A., B.D., M.Th., Th.D.** - Thesis advisor  
Associate Professor of Theology, Episcopal Divinity School

Kwok Pui Lan

**The Rev. Dr. Ian T. Douglas, B.A., Ed.M., M.Div., Ph.D.**  
Director of Anglicanism, Globalism, and Ecumenism Studies, Episcopal Divinity School

Ian T. Douglas

**Margaret Crane, B.A., M.Div. degree candidate,**  
Episcopal Divinity School;  
Candidate for ordination, Diocese of Vermont

Margaret Crane





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## CHAPTER I

### INTRODUCTION

Economic analysis is an intrinsic part of Latin American liberation theology, whether one reads the works of its theologians or sits in on a base community meeting in Latin America. The importance of economic issues is obvious even in the documents issued by two significant Roman Catholic historical bishops' conferences, Medellin and Puebla. Liberation theology's relationship to economics is an intimate one and this fact of inseparability puts the wind in the sails of this particular theology. The forces of economics, articulated within an analysis of history, leap out of the words and ideas that articulate Latin American liberation theology - a theology which stands side-by-side with the poor and marginalized.

Latin American liberation theology may have relevance to other groups, people and nations, but its distinct character has grown out of the continent's own socioeconomic history and cultural "realities," a word used repeatedly in this theology. Latin American liberation theology's specificity suggests that its own unique theological method of inquiry and perspective reflects Latin America's own economic and political history. This form of theology would look and act differently if it were in another nation or continent. I am interested in what this theology and the people who live it have to say about their lives.

This paper examines "realities" shaped by the economic factors, models, and





history at work since the Second World War up through the present. Some of the questions that interest me in this exploration are the following:

> What economic forces made Latin America a fertile ground for this particular form of liberation theology to grab hold and become a meaningful tool for its Christians?

> What macro-economic dynamics took place, or were imposed upon Latin America and what effects did these have upon the majority of the population, the poor?

> What kind of a "greenhouse setting" existed, and still exists, which enabled this theology to grow in "ideal conditions" and helped it flourish?

> Why is economics an intrinsic part of liberation theology theory and practice, both now and in the past?

I hope that this paper is a useful exploration of material for those who want to deepen their knowledge of the economic history and present realities of Latin America, and for understanding what makes this form of liberation theology - revealed in peoples' everyday lives of faith - unique. This paper may help others understand what economic justice entails anywhere in the "two-thirds world" or nations of the South, an issue becoming more and more critical as conditions for the majority of the world's peoples worsen.

This paper has been written for those who want to know why economics is so key to understanding the concerns of Latin American liberation theologians as well as the average people, the non-intellectuals of Latin America, who do not separate economic justice in society from their theology. These are the people who believe in and pray to a God who "frees the captives" and who took on a human form as a poor, marginalized, often radical person. Why is the economic piece central to their





faith perspective; what is it about the context of Latin America that creates the integration of economic analysis with a theology of liberation?

This paper explores what the broad sweep of economic forces, the macro picture, looks like. The economic sources that I use write from a faith and social ethics perspective; they are not economists writing for other economists. In addition, the value of voices primarily from Latin America itself is paramount for maintaining a strong sense of the particular context, so minimal North American sources are used.

I paint a somewhat impressionist painting here, not zeroing-in on any one country within Latin America. The capitalist model manifested in development theory and policies toward Latin America have not been particular to one country; in fact, they now have an encroaching universality within the global economic picture. These theories and efforts are possibly the largest and most damaging "exports" ever sent to Latin America in modern history from both the U.S. and Europe. On the other hand, Pablo Richard, a Latin American theologian suggested that attention in the form of development is better than no attention at all!

In this paper, my viewpoint is one which questions the exploitation and injustices which often accompany economic policies and attitudes toward nations of the South. My inherited and chosen perspective and context is that of a white, middle class, theologically-educated, Christian female living in the United States. In spite of minimal direct contact with the people and nations of Latin America, I have chosen to take the side of the majority there who seek justice and basic human rights.



I belong to the nation in the North that has had a history of confused if not imperialistic sense of neighborliness; a nation, like Europe, that saw Latin America as malleable, ripe for opportunity, a perceived threat to "stability," and rich in raw materials, labor and trading opportunities. In this paper I am clearly biased toward the poor people and nations who are the centerpiece of and utilizers of Latin American liberation theology; they are the ones for whom liberation is not a mere word or idealized concept.

In the first section, I define **liberation** and what it means to the people of Latin America. It is necessary to understand how liberation theologians define it. The question of "*liberation from what and into what?*" is key to defining the core of this theology.

In the next section, I critique the language about and the historical results of **economic development** in Latin America, using a Christian ethical perspective expressed in liberation theology. Some questions within this analysis of economic development include: "*done by whom and on whose behalf?*" The adoption of an international capitalistic model which accompanied development has had direct effects on the lives of people. Liberation theology points out that the success or failure of development needs to be seen from the viewpoint of the Latin American majority.

The third area I discuss is **dependency**, the result of development policies and dynamics of asymmetric relationships between "developed" and "underdeveloped" nations. Latin America's dependency was upon the North, who played a dominant





role in shaping and steering their economic policies. "Dependency theory" was a method of critique created by Latin American political and economic theorists; it became a powerful tool when adopted into liberation thought, elaborating the "liberation from what?" idea.

The **Medellin and Puebla conferences**, the fourth area of focus, are two landmark Roman Catholic bishops' conferences that articulated the response of the church to the socioeconomic realities of Latin America in the 1960's and 1970's. The Latin American bishops at these conferences articulated strong concerns about (and condemnation of) some economic policies seen in the light of the Gospel. I discuss the economic critique done by the Latin American Roman Catholic church by looking at the documents these conferences produced. Medellin and Puebla demonstrate the impact that liberation theology had on the official church which became a church in solidarity with the poor, accepting the challenge of new pastoral and social responsibilities.

The fifth area I look at includes the **current economic realities in Latin America** (1980's - 1990's); that is, some of the key factors that are influencing Latin America's economic and political context. These key factors are as follows:

1. *The international debt crisis* - its origins and impact upon Latin America. No economic factor has had more impact than this complex creation of the international financial system; its stranglehold on the nations of the South is the single largest reason for increasing poverty and environmental devastation. Some historical information on how and why the loans began, and what forces exacerbated





the situation throughout the Third World are useful to understanding this crisis.

2. *The post-Cold War era and the new world order* - The changes in eastern Europe and the former Soviet Union's shift to democracy will unquestionably impact Latin America's relationship to the United States and to the rest of the world. Recent writings of Latin American theologians and political scientists raise important issues regarding the future of their economies and social order which update the political/economic analysis of this paper.

Lastly, I discuss some more **current voices and issues** in Latin American liberation theology; it seems important to discover how it has changed since its origins in the 1960's, since the context is very different now, thirty years later. How is this theology being lived and used among the people? "New voices" are speaking out in Latin America, empowered by the tools of liberation thought, which will change the look and feel of this theology in both its theory and praxis.

After looking at the above areas, I conclude with a synthesis of the threads that emerge in a study that uses the lens of economic analysis and ethics. What critical issues emerge from this study of liberation theology and do they answer the questions that intrigued me at the outset?

I am not so much interested in trying to do the Latin American methods here in the U.S. as I am in looking with intrigue at the components of this particular, contextual theology which has had a ripple effect throughout the world. The past teachings of the churches which told the masses that their reward would be in heaven, not on earth, and the assumption by the developed nations that some must



win and some must lose in the high stakes game of "free" trade and expanded markets, were exposed by the dazzling light of liberation theology for the benefit of two-thirds of the world who had no relevant theologies to sustain and empower them. This may prove to be the most profound shift within the Christian Church in the twentieth century.

Another factor which draws me to Latin American liberation theology is its ability to interpret scripture in a new way. When the "blindness comes off," this hermeneutic allows a God to emerge who chooses the side of the poor, the despised and oppressed in history. Jesus emerges as the radical man who disturbs the status quo and whose power is the power to love. This liberating method of theologizing is inclusive and is done by people at the "base level" (as the Boff brothers describe it) as well as in the academy. All who are engaged may end up being empowered. While I am not delving into the specifics of this biblical study methodology, a "re-reading" of scripture, it is part of the backdrop for my study of context and response.

Liberation theology sees the church and one's faith life as a potential agent for change in society, fully engaged in finding solutions to societal problems after critically seeing what is or ought to be - a participatory church that is the "watchdog" of society for and with oppressed people. This pragmatic and deeply spiritual theology concretizes a vision of a church that takes the gospel message of justice and love seriously.





## **CHAPTER II**

### **LATIN AMERICAN LIBERATION THEOLOGY'S CONTEXT: AN ORIENTATION**

This "new" way of doing theology calls for a shift in consciousness by those in power to acknowledge the ones living "under the table." This table at present allows only those in power, who are prosperous, to sit and eat at it, basking in their comfort and freedom (even if it is the freedom to oppress others or to ignore them). It is not just despotic rulers or repressive regimes who sit at this table, but rich nations and the international business and financial community.

The silence-breaking protests of the poor, especially since the 1960's, drew the attention of their theologians to this shaking table, which might be tipped over; revolution, they felt, might end up being the only way to real change - reform might not be enough. The masses in Latin America began to see that other people and nations were not living in the poverty and misery that they were. The economic reality of Latin America, best described as oppressive, a form of "imposed international capitalism," was keeping the majority of its people (for the poor are the majority in that continent) from a fair share in the well-being that the richer countries were enjoying. The wealthy oligarchy in Latin American countries was also reaping the benefits of international capitalism. The masses, on whose behalf the theologians raised their voices, were being denied the most basic human rights of adequate housing, food, water, education and health care.



How could the European-educated theologians from Latin America ignore those who were raising their voices, those on the underside? A new way of doing theology, one that built itself upon the realities of the oppressed, was born. Influenced by the writings of the liberation theologians and outspoken bishops, the Roman Catholic Church proclaimed, via the Medellin and Puebla conferences, an "option for the poor," a phrase I prefer to interpret as "they took the side of the poor," and measured human progress according to the standard of how the poorest and marginalized were faring in society. The facts pointed to a failure of living out a Christian ethic of loving one another and building a life-giving community (at a continental if not global level) both in society and the church itself.

Gustavo Gutierrez articulates the cry for change in the midst of potential revolution and ferment in the 1970's, pointing out that,

The untenable circumstances of poverty, alienation, and exploitation in which the greater part of the people of Latin America live urgently demand that we find a path toward economic, social, and political liberation. This is the first step towards a new society.<sup>1</sup>

The shock waves of Latin American liberation theology are echoing throughout the denominational and ecumenical world. The expression of this theology and the resolutions of Medellin and Puebla point to the "tables being turned upside down." Liberation theology and the unity of third world theologians and justice-seeking lay people are the divining rods for movement that has been

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<sup>1</sup>Gustavo Gutierrez, A Theology of Liberation (Maryknoll, New York: Orbis, 1973), p. 55.





under the surface; movement that builds in pressure until a fissure or crack liberates it and it rushes like a geyser into our presence.



## CHAPTER III

### MEANINGS OF LIBERATION

Liberation is the only adequate word to capture the idea that the situation in which Latin Americans find themselves is oppressive. The word "liberation" suggests a moving away from, a getting out from under something, an exit that leads to freedom.

Hugo Assmann states that:

"Liberation", taken as much in the sense of "acquiring" as of "recovering" liberty, is always a notion referring to a present lack of liberty, thereby involving a clear judgment on, and condemnation of, the present state of affairs.<sup>2</sup>

Without the setting of oppressive, life-crushing realities in Latin America (still present today), there might have been no talk of a need for liberation and a theology of liberation might not have emerged. The concreteness which gave birth to liberation theology is an intrinsic part of its nature; its context and its message are inseparable. The word "liberation" was not used only by liberation theologians or progressive people's groups, it was incorporated into the statements issued from the hierarchy of the Roman Catholic Church.

Pope Paul VI, in his 1974 address *Evangelii Nuntiandi* (a document later utilized by the Puebla conference) said:

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<sup>2</sup>Hugo Assman, Practical Theology of Liberation (London: Search Press, 1975), p. 47.





We know only too well that all the energy and effort of...peoples are invested in the struggle to overcome the things that condemn them to live on the margin of life: hunger, chronic diseases, illiteracy, impoverishment, injustice in international relations and particularly in commercial interchanges, situations of economic and cultural neo-colonialism...etc. The Church, said the bishops <at Medellin> once again, has *the duty to proclaim the liberation of millions of human beings,... <it has> the duty to help bring this liberation forth in the world, to bear witness to it and make sure that it is total.*<sup>3</sup> (Italics mine)

The sequence of the ripple, or shock waves, of a call for liberation throughout the church and world was 1) the reflections and voices of people in misery; 2) the priests, lay people and bishops hearing, seeing and reflecting along with the people; 3) the church hierarchy (the Roman Catholic Church principally) listening to its bishops; 4) endorsement and exhortation by the Pope, of a need for change - of the Church "opting for the poor." The tone of the 1970's was one of a desperate need for naming the realities in order to move toward change; the church was to be partner and advocate of the oppressed, seeking societal and personal transformation.

José Míguez Bonino explains liberation in this way:

Liberation <paraphrasing Ruben Alves> is....a project which springs from the protest born of the suffering of the present; a protest to which God grants a future in which man enters through his action.<sup>4</sup>

Liberation is not defined as merely an idea, but a reality that is a goal. Latin American liberation theology never rests or escapes into the comfort of the abstract; since it springs from a context of extreme poverty caused not by God, but by humans

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<sup>3</sup>*Evangelii Nuntiandi*, in *Puebla and Beyond*, ed. John Eagleson and Philip Scharper (Maryknoll, New York: Orbis, 1979), p. 30.

<sup>4</sup>José Míguez Bonino, *Doing Theology in a Revolutionary Situation* (Philadelphia: Fortress Press, 1975), p. 76.



oppressing other human beings, it critically pokes and prods the "why" of this poverty and reflects upon it in the light of faith. Liberation theology reflects on history and the present realities of its own continent "with a view to action which transforms the present."<sup>5</sup>

For Gutierrez, and other liberation theologians as well, liberation will come about only in a totally new society, one embodying revolutionary changes; the old model of society, with a rich, dominant class (or nation) oppressing a poorer, powerless class (or nation) must be transformed. His critique is that the international capitalistic system is one of the root causes of the oppression for the majority of Latin American people.

Another way that the Latin Americans describe liberation is liberation from domination by the North; this includes not only economic domination but cultural domination, where the values of the capitalistic economies are projected onto Latin America and the rest of the Third World. These are largely spoken of as consumerist, materialistic values; they are antithetical to the humanistic values of love, compassion and freedom upon which liberation theology is centered; values espoused in scripture and in Christianity's faith tradition.

Liberation is also a liberation from sin, from "structural sin" which exists in society or at the global level; structural sin are systems or structures (government, economic policies, police states) which deny basic dignity and rights to people. These include the right to safe water, jobs with fair pay, the right to organize (labor unions),

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<sup>5</sup>Gutierrez, A Theology of Liberation, p. 12.





to give a few examples. Structural sin, from which people deserve liberation, kills. The poverty it creates or exacerbates, claims peoples lives.

I raise the issue of overall societal change here because the desire for liberation from oppression prompts the question "liberation into what?" Liberation theologians write of a totally transformed society in which the poor and marginalized have a voice and a better way of life; the society in which they live denies a decent life to most people around them, whether in the 1970's (when the first books were written) or the 1990's.

Gutierrez writes a great deal about "utopia," and its usefulness within liberation theology; it is a key concept within the theology of liberation. "Utopia," like "liberation" is a loaded word, decidedly nonneutral; it is the *destination* of liberation. A "utopia of liberation"<sup>6</sup> suggests a model of society which 1) denounces the existing order, 2) announces what will be (a vision or goal) and 3) leads to action in the present. The concept of utopia is hopeful; it allows for an order that is more humane than the present one - it is the fuel for the engine of liberation. Gutierrez states:

The loss of utopia is responsible for humankind's falling into bureaucratism and sectarianism, into new structures which oppress humanity. The process...is not liberating if the plan for a new humankind in a freer society is not held to and concretized. This plan is not for later, when political liberation will have been attained. It ought to go side by side with the struggle for a more just society at all times.<sup>7</sup>

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<sup>6</sup>Ibid., p. 139.

<sup>7</sup>Ibid., p. 138.



Where does the theology, the Christian faith part, enter into this discussion of liberation? God calls us to love others and to abhor exploitation of all human beings. The message is most explicit in the sending of Jesus Christ who serves as the model for our lives; he sided with the oppressed, the marginalized in society and took on poverty, while trying to turn his own society's values upside-down. Jesus' life and teachings are at the core of the theology of liberation; his acts of liberating encompassed loving, forgiving, healing the ones in misery, and not siding with the oppressors in his society. We are called to do the same if we are true to our faith in Christ. Linking faith to justice, Gutierrez says:

Faith reveals to us the deep meaning of the history we fashion with our own hands: it teaches us that every human act which is oriented towards the construction of a more just society has value in terms of communion with God - in terms of salvation; inversely it teaches that all injustice is a breach with God.<sup>8</sup>

In the words of Clodovis and Leonardo Boff, "We have to love as such in whatever situation, but we also have to oppose attitudes and systems that do not conform to the ethical criteria of Jesus' message."<sup>9</sup> Love and action on behalf of change go hand in hand. Liberation is therefore, from a Christian viewpoint, not just freedom; it is the living out of Jesus' message of love of neighbor (and enemy) shown by justice for the poor and marginalized.

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<sup>8</sup>Ibid., p. 139.

<sup>9</sup>Clodovis Boff and Leonardo Boff, Introducing Liberation Theology (Maryknoll, New York: Orbis, 1990), p. 62



## **CHAPTER IV**

### **DEVELOPMENT ETHICS AND HISTORY**

Economic development, both its ethics and history, is central to liberation thought in Latin America. When people and theologians began to look around themselves at the condition of people's lives, they realized that in the process of developmentalist efforts (exclusively economic, i.e. more technology, influx of capital, investments in industry), the rich nations continued to grow during the 1960's, while the majority of people in the poorer nations faced more hardships in the wake of development attempts or "modernism."

Liberation theologians included criticism of development policies (and the resultant dependency) in most of their writings done in the late 1970's. In order to talk about total liberation of people in society, they needed to address the causes of poverty. The evil they saw had a name and its name was "development" or what I like to call "imposed international capitalism," sent from the North to the South. The relationship that development fostered between the southern and northern nations was the opposite of liberation; it was one of dependence, where the "weaker" nation always follows the lead, and lags behind, the "stronger." The dependent one can never progress adequately due to this situation, which fosters domination by one at the expense of the other.

In the wake of World War II, there was a belief that if the poorer nations





simply modeled themselves after the richer, industrial nations, following the North's economic "lead," they would experience progress also and living conditions would improve within society. José Comblin says that the industrialized nations became uncomfortably aware (due in part to more global and instantaneous communication) of the misery that the Third World was living in - a domination and exploitation that had been going on for nearly 500 years however - and it wanted to help.<sup>10</sup>

There was also a concern in North America about post-colonial unrest in these newly independent countries and later, a fear of socialism taking hold as it had in Cuba. The belief was that development would create stability by improving economies, offering new opportunities and facilitating a desire for democracy; all were insurance that no left-leaning revolutions would take place. Access to resources, markets and profits to be made in the undeveloped nations, was of huge importance to the United States.

Coupled with this new international awareness was new thinking in the science of economics which said that if one applied various mechanisms to a nation's economy it could be changed, which meant growth due to specific, controlled interventions. Economists believed that Latin America, Africa and other undeveloped areas could grow as the northern industrialized nation had, if only they would apply the same mechanisms - improved technology and accumulation or influx

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<sup>10</sup>José Comblin, The Church and the National Security State (Maryknoll, New York: Orbis, 1989), p. 31.



of capital. Development policies were born.<sup>11</sup>

Development theory assumed that if less-developed nations or regions enacted the mechanisms that the northern nations had, following in their footsteps, they too would experience growth. After the introduction of technology and an accumulation of capital ("assistance" to be provided by outside nations who had a stake in the future of the undeveloped nations), the "plum" of development could be had; Latin America would be modernized and everyone would benefit - people, investors, and world markets.

Miguez Bonino describes the positioning for development in the 1950's and '60's:

If these movements <introduction of technology and capital> could be accelerated, a "takeoff point" would arrive, after which our <Latin American> economies would expand naturally and the welfare and consumer society already present in the Northern world would also appear in our horizon.<sup>12</sup>

He and others suggest that this assumption had many fallacies. One major fallacy was the belief that growth was repeatable. Latin America *could not* repeat the history of the U.S. and others because it did not have a history of being a colonizer itself, like most developed nations did. That is, Latin America had no "head start" on control of markets and raw material sources like the northern nations, nor did it have an economy built upon slave or cheap labor. It had been colonized *by* others, used *by* others; now it was expected to jump forward into position alongside nations

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<sup>11</sup>Ibid., p. 31.

<sup>12</sup>Miguez Bonino, Doing Theology in a Revolutionary Situation, p. 24.





who were reaping the benefits of an expansive capitalism begun long ago.

So, even though the richer nations of the North (U.S. and Europe) made a concerted effort in roughly 1950 to 1960 to affect growth in Latin America by sending economists and what was called "aid" (a misnomer in light of the later global debt-crisis), the efforts of applying "development medicine" largely failed - life for the poor in Latin America remained a struggle for survival.

This condensed version of Latin America's modern economic history would be incomplete without an ethical critique on development in general. Liberation theologians detail the history of their Latin America's economic oppression and are never neutral about it. Their particular Christian ethical critique is omnipresent in their writings, whether from today or in the 1970's. I want to focus on the ethics revealed in the language and ideas of development and what liberation theologians have to say about development.

Development can mean many things: it can mean a state of well-being in which a person can reach their full human potential. It might bring forth a society that is able to feed and house all its people adequately; or it can mean an economic situation which enables a nation to enter the system of international capitalistic trade and lure foreign investors to its land. Liberation theologians critique development primarily as an economic plan, knowing in their understanding of Christian faith that it ought to be a humanistic, holistic model of well-being for all, but is usually just the opposite. The reality of development policies historically is that the gap widens between the rich nations and the poor ones; the ones who started later never catch



up. Within a nation, the rich sector profits and the masses do not. There is little or no "trickle-down" economically for the majority; instead, profits go to those in power (or who manage the "developing"). The poorer nations become totally dependent on the richer ones and the cycle continues.

Liberation theologians critiqued the developmentalist policies and mentality which failed to attack the deeper problems of widening class inequalities amid capitalistic efforts. The ethics of the theologians in Latin America are obvious; they wanted development policies that were human-centered rather than greed-centered. They wanted more autonomous development (or progress) that liberated people's lives, not a disguised new form of colonialism. Regarding the value of following in the footsteps of the industrialized nations of the North (applying developmentalist policies), Gutierrez says:

The poor countries are not interested in modeling themselves after the rich countries, among other reasons because they are increasingly more convinced that the status of the latter is the fruit of injustice and coercion. It is true that the poor countries are attempting to overcome material insufficiency and misery, but it is in order to achieve a more human society.<sup>13</sup>

Liberation theology seeks a transformation of society so that all people are free to be more fully human as God wishes them to be, not living in servitude. This ethic reflects the analysis that the people, clergy and professional theologians of Latin America used to examine their socioeconomic setting. Comblin states:

According to the new critique...the problem of development is not a technical one. It cannot be reduced to economic issues. The

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<sup>13</sup>Gutierrez, A Theology of Liberation, p. 14.



question is no longer the selection of a way or a model of development for the future. That way has been chosen and it is contrary to the chief postulates of the Christian message. Consequently, it must be opposed. Loyalty to Christianity does not consist in giving up but in facing the decision of the state even though it may not be possible to change its political program.<sup>14</sup>

Comblin goes on to say that the critique of development (or oppression of any kind) is prophetic; it is the opposition of people of God to that which dominates, or, putting it another way, fails to liberate.

Liberation theology began, in the 1970's, to critique both the language and practice of development, believing that the word "liberation" and its implication was more appropriate than development and better-expressed the need for societal transformation. The word "development" had appeared in papal documents as a concept expressing an improved state of well-being for people within a socioeconomic system based on justice.

Gutierrez and others felt that the language of development, and its ethical and sociological ramifications, reinforced the idea of the undeveloped nations as dependent; it sounded as if they had all "bought into" a flawed, unjust and entrenched system. Development was a safe word, one which suggested that their present situation was acceptable, but simply needed to grow. Gutierrez' criticism of the papal encyclical *Populorum progressio* helps explain why the Latin Americans favored the word "liberation:"

The outright use of the language of liberation <in the document>, instead of its mere suggestion, would have given a more

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<sup>14</sup>Comblin, The Church and the National Security State, p. 116.





decided and direct thrust in favor of the oppressed, encouraging them to break with their present situation and take control of their own destiny.<sup>15</sup>

One needs to remember that Gutierrez and the other liberation theologians felt that the winds of revolution were blowing; the best solution was not going to be reform - that hadn't worked very well to date. They believed that there was a need for a completely transformed society if the poor and oppressed were to live in a more humane way.

My own thoughts on the language of development are becoming more clear as I learn more about the insidiousness that is often behind policies of development, both in Latin America's economic past and present as well as the rest of the Third World. I have begun to ask "Development *for* whom, *by* whom"? Is the goal of development better conditions for the South, or is it for the continued growth of the North (including transnational corporations, etc.). Is it to insure political stability in order to keep the global markets fully open for those who are the big traders? When the nation in which I live is described as "developed," what is it that makes me uncomfortable? By whose sweat, slavery and exploitation have we in the North become "developed"? Why does it sound as if we are therefore better when this word is used?

The word "developed" doesn't trouble me as much as its opposite, "under-developed" (as a description of a nation or geographical area). The

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<sup>15</sup>Gutierrez, A Theology of Liberation, p. 23.



implication of the latter is that an "under-developed country" is somehow *inadequately* developed *by* others. It suggests a sluggish nature, a slowness of progress, an opportunity that is *ripe for plucking* (by others that is) and not an opportunity for self-development. The nearly automatic connection between "development" and the idea of dependency seems to negate the idea of self-development and self-empowerment.

Isn't the phrase "under-developed" inaccurate; isn't "under-exploited" or "under-used" more descriptive of the reality of how richer nations view the poorer or southern nations? That is, in the eyes of the "developers," isn't there always *more* that can be extracted or gained from these nations who lack global economic power or control? Hugo Assmann says:

There is an increasing analysis of the phenomenon of under-development, under- stood ever more clearly as "*being kept in a state of under-development*," as "a state of dependence," rather than simply the situation of countries "not yet developed" or "in the development phase."<sup>16</sup> (Italics mine)

Nothing could be more well-said than this analysis of words which points out the actual shift of mindset by the dominated peoples. Words are full of revelation and mark the sign of a new consciousness of economic and cultural oppression.

Some people are currently using the expression "developing" countries rather than using the past tense of this word; it seems more appropriate, less of a permanent condition with more suggestion of self-development. This expression has been used by some two-thirds world leaders; one can see a shift in how these loaded

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<sup>16</sup>Assman, Practical Theology of Liberation, p. 45.





words are used. The description of "under-developed," emphasizing the past tense, sounds like a loaf of bread that is half-baked; a condition that is hard to remedy. It connotes stagnation, "stuck-ness" and less value or worth.

All of this raises the ethical issues involved when talking about progress, improvement and better socioeconomic conditions in Latin American or the Third World in general; words and language betray the truths behind history and the perspective we have toward other human beings.



## CHAPTER V

### CONSEQUENCE AND DYNAMIC OF DEVELOPMENT: DEPENDENCY

Development ethics and efforts within Latin America needs to include some discussion of dependency. Dependency theory was espoused by social scientists in the 1960's who saw the failed policies of development and sought to explain the continued inequalities between the northern nations and Latin America. The dynamic of dependence (viewed as an inherent part of "outside" capitalistic development efforts) highlights the posture of Latin America in its relationship to the North Atlantic nations. Each is not equally interdependent, as in a true egalitarian partnership: one is *dependent* (follows) and one is *dominant* (leads). Both Bonino and Gutierrez cite the definition of dependence given by Theotonio dos Santos:

It is a situation in which the economy of one group of countries is conditioned by the development and expansion of another economy. The relationship of interdependence between two or more economies and between certain economies and world trade assumes the form of dependence when some countries (the dominant ones) are able to develop themselves while others (the dependent ones) can only reflect that expansion...In any case the basic relationship of dependence leads to a world-wide situation which characterizes the dependent countries as backward and exploited by the dominant countries.<sup>17</sup>

Dependent nations can only react to the dominant nations' continual and "successful" expansion which is facilitated by the unequal relationship. According to this theory, the resultant product of development is a continuation of under-

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<sup>17</sup>Gutierrez, A Theology of Liberation, p. 197, citing Theotonio dos Santos.



development. Arthur McGovern, a Jesuit scholar, puts it this way: "<I>t was becoming increasingly clear that the continuing misery in Latin America was in great part *caused* by the dependency that development policies encouraged."<sup>18</sup>

With the influx of foreign corporations and technology brought by the northern nations to the southern ones through developmental policies, little improved because the profits from the foreign (or multi-national) corporations largely left the "host" country, not allowing that nation's economy to benefit from the "trickle-down" of entering the modern capitalistic era. McGovern explains the dynamics of this unequal relationship in this way:

In this relationship, the dominant countries impose their dominant technology, commerce, and values on the dependent countries who find themselves easily exploited and subject to loss of revenues produced in their own countries.<sup>19</sup>

The results of growth continued to lay where it always had - in the hands of a small percentage of foreign corporations, northern financial institutions and the Latin American government officials and elite who colluded with them. This is a simplistic and somewhat skewed description of actualities; some technological benefits *were* realized due to development efforts, but my point is to illustrate what the relationship of dependency looked like to the social scientists and perhaps to the majority of the people whose lives were not greatly improved through such efforts.

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<sup>18</sup>Arthur F. McGovern, S.J., "Dependency Theory, Marxist Analysis and Liberation Theology," in Expanding the View, ed. Marc H. Ellis and Otto Maduro (Maryknoll, New York: Orbis, 1989), p. 80.

<sup>19</sup>Ibid., p. 79.





Míguez Bonino suggests that the idea of dependence was not a new one; it had, in fact, been what Latin America experienced under conquest and colonialism, from the 16th century on. He describes the neo-colonial forces that were at work during Latin America's recent economic history, saying that: "<O>ur so-called modernization was dictated by the needs and preferences of our overseas masters."<sup>20</sup>

Most Latin American liberation theologians wrote at length about dependency theory and its usefulness for seeing the dynamics operating amid developmentalist policies in a new way. Why was a discussion of dependency so important to the liberation theologians writing in the 70's? Dependency theory provided a perspective that would facilitate the ideological shift from an emphasis on development to one of liberation; its role was enormous. Dependency theory was one of the many forces which shifted people's awareness; it was another tool, like Marxist class analysis, used to explain why the gap between rich and poor didn't lessen after development efforts and modernization programs were put in place.

Dependency theory's analysis of the inequality of the "players" in the global economic game is faithful to liberation theology's methodology of reflecting upon concrete realities shaped by history. The theory of dependency was not just factual information received from social scientists and economists, but was used by liberation theologians as a way to explain the poverty and harsh living conditions of the majority of the people that still existed after development efforts.

Dependency theory offered a way to explain, critique and move away from a

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<sup>20</sup>Míguez Bonino, Doing Theology in A Revolutionary Situation, p. 14.



situation of domination, which suppressed the quality of life for the majority on whose behalf the liberation theologians advocated. Theologically-speaking, the goal of such analysis was to change the situation of dominance which is antithetical to justice, a justice consonant with the teachings of Jesus and the prophets who preceded him. The views of the social scientists and liberation theologians served as "magnifying glasses" for the poor in Latin American who eventually said "Enough!" to this relationship of one-way economic gain.

What interests me most about the importance of dependency theory from the liberation perspective is that:

1) it was a new tool used to critique development policies from the perspective of what the reality for the *majority* was in Latin America (the exact perspective liberation theology utilized in its articulation of justice);

2) it was a critique that brought about a shift that is still with us today - a way of seeing what factors or powers controlled the economic situation, thereby explaining why modernism and development don't always work for the benefit of all;

3) it was, most importantly perhaps, a first step toward *empowerment* without which liberation would be impossible; dependency theory did not so much bring about actual change in economic policies of Latin America as it did to act as a vehicle with which the dominated could *see their own lack of power and control and begin to think about liberation* in the many facets of their lives.

This is not to say that the liberation (from dependence) talked about and desired by liberation theologians is only theoretical. Hugo Assmann explains:





The abstract option <of liberation> has to be translated into action according to the circumstances. There can be no real commitment to liberate one's country on the general level alone. Liberation, if it is to be an effective revolutionary way to the ending of dependence, has to include the working out of a <political> strategy ...and of the tactical steps for carrying out this strategy in the light of the most urgent needs.<sup>21</sup>

An extreme response to the reality of domination by the developed nations, would be for the dependent and undeveloped nations to withdraw from such a relationship. Some theologians, like Assmann and Gutierrez, writing in the 1970's, felt that autonomy for the nations of Latin America was the only viable solution to end this situation of dependency. At that time, there was a strong belief in the hope that a radical break from the past, a revolution, offered.

Others expressed a concern with "breakaway" autonomy as a solution to eradicate dependency. Leonardo Boff (citing Jose Comblin) said:

<O>ne cannot choose both complete autonomy and development. Compromise is necessary. If development is the goal...one has to work within the international system.<sup>22</sup>

Looking at the current situation of global economic interdependence, one sees that complete autonomy would now be impossible if not suicidal. Foreign corporations, operating in many nations, are entrenched and linked to the economies of the two-thirds world; they are not about to be told to leave the countries in which they have operated. Nor can a nation afford to alienate itself from the still-dominant

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<sup>21</sup>Assman, Practical Theology of Liberation, p. 131.

<sup>22</sup>McGovern, "Dependency Theory, Marxist Analysis and Liberation Theology," p. 81.



financial and economic powers of the world, located in the U.S., Europe and Japan, by pulling out of the international capitalistic economy. The best that dependency theory and developmentalist critique can offer, especially that done by theologians and social ethicists in solidarity with the people of Latin America or the third world, is to bring about more just practices in trade policy, tariffs, and future alliances that benefit both parties and which also improve the quality of life for the majority (not the minority) of the people in each country.



## CHAPTER VI

### CONVERSION OF THE CHURCH: MEDELLIN'S IMPACT

The Conference of Latin American bishops held in Medellin, Columbia in 1968 was a forum which expressed the reaction of the Latin American Roman Catholic Church looking around itself with new eyes. Those who attended the Medellin conference loudly described the poverty and injustice rampant on their continent in both pre-conference position papers as well as in the final, concise documents. The bishops at Medellin, influenced by the movements for peace and justice that followed Vatican II as well as the growing voices protesting the misery of the poor and the failure of effective development, took a radical stand. They called for urgent change which would bring the message of the gospel into socioeconomic structures; the sinfulness of inequalities between people (and nations) was described in detail. The conference noted that the gap between the rich and the poor was growing both in their own communities, nations and around the world. The fruits of economic growth (there had actually been some in Latin America, as well as elsewhere in the world through the 1960's) had not improved the lives of the majority in Latin America, that is, the poor.

Medellin was an event of huge significance. The Latin American Roman Catholic Church had been aligned with the rich and the ruling class as far back as the *conquistadores* from the Old World. It had been cozy with more than one





repressive, dictatorial government in modern times, keeping the masses in their place. Their reward, even as they suffered from a deprivation of their basic human needs, would be in heaven, according to the Church. As Philip Scharper, publisher of Orbis Books describes the Church's defense of the status quo: "Thou shalt not rock the Ark' had become the Eleventh Commandment" for Christians in Latin America and beyond."<sup>23</sup>

In a move that was more like a conversion than anything else, the Medellin conference's statements embody a changing church that was willing to proclaim the harsh socioeconomic realities of Latin America to the world, holding up for scrutiny the injustices against the poor - the laborers, the peasants, the Indians - whose lives were previously invisible or expendable to the ruling and dominating powers. Gustavo Gutierrez puts it this way:

For many people...the meaning of Medellin is to call the church to pay attention to social issues. That is true but not enough, for I think the meaning of Medellin is this and more. It is more radical. What is demanded by Medellin is to change the focus of the church - the center of its life and work - and to be present, *really* present, in the world of the poor - to commit the church to living in the world of the poor.<sup>24</sup>

The Church shifted to being more engaged with the difficult social realities around it, advocating or requiring change on behalf of those it served, those whom it began to hear - the oppressed and impoverished majority.

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<sup>23</sup>Penny Lernoux, Cry of the People (New York: Penguin Books, 1980), citing Scharper, p. 371.

<sup>24</sup>Gustavo Gutierrez, "Church of the Poor," in Born of the Poor, ed. Edward L. Cleary, O.P. (Indiana: University of Notre Dame Press, 1990), p. 18.



Medellin not only proclaimed that the Church must become engaged with changes on behalf of the poor, but it affirmed the need for the poor to become agents of their own change or liberation. The theme was one of conscientization, of the "awakening of the masses," and of organizing for social change via peaceful means. Gustavo Gutierrez says that "the meaning of Medellin is this: the Latin American church became a zealous church trying to confront its reality and take seriously its task <for announcing the gospel>."<sup>25</sup> Medellin reflected a Latin American Church committed to the message of Vatican II. As Marcos McGrath, the archbishop of Panama City who delivered a keynote paper at Medellin, put it: "The conference and its texts show a generous and firm advance in a church absorbing and living Vatican II and the working for the transformation of Latin America in the light of the council."<sup>26</sup>

The language of the Medellin document, called "The Church in the Present-Day Transformation of Latin America" is outspoken and passionate. An excerpt from the conference called "Message to the Peoples of Latin America" states:

Latin America appears to live beneath the tragic sign of underdevelopment that not only separates our brothers and sisters from the enjoyment of material goods, but from their proper human fulfillment. In spite of efforts being made, there is the compounding of hunger and misery, of illness of a massive nature and infant mortality, of illiteracy and marginality, of profound inequality of income, and tensions between the social classes, of outbreaks of vio-

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<sup>25</sup>Ibid., p. 15.

<sup>26</sup>Marcos McGrath, C.S.C., "The Medellin and Puebla Conferences and Their Impact on the Latin American Church," in Cleary, Born of the Poor, p. 79.





lence and rare participation of the people in decisions affecting the common good.<sup>27</sup>

The statements made by the Medellin bishops don't mince words or try to pretend that the situation around them is acceptable. They state the realities clearly and repeatedly in a way never heard before in the Roman Catholic Church in Latin America.

It is of minimal significance that the statements made, and what Medellin now stands for in history, did not reflect the views of all the bishops; the end result of the conference was *the legitimation and embracing of the message of liberation theology* and a commitment, through action and education, to changing both society and attitudes toward those who were at the bottom of the economic ladder. Medellin was a call to action for all Christians in Latin America - clergy, lay people, grass roots organizations, business owners, bankers and government officials - to live the gospel message in everyday life, in all parts of society and its institutions. The Church took a stand with and for the oppressed for whom liberation was a necessity; a stand they felt that was the only faithful response that Christians in Latin America could take. The theological message of liberation gained momentum at many levels, catalyzed by the conference at Medellin.

The economic climate of 1968 in Latin America is revealed in Medellin's critique of a non-human centered model of development and economic policies that

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<sup>27</sup>Second General Conference of Latin American Bishops, "The Church in the Present-Day Transformation of Latin America in the Light of the Council," in Liberation Theology: A Documentary History, ed. Alfred T. Hennelly (Maryknoll, New York: Orbis, 1990), p. 90. <Conference known as Medellin, 1968.>



do not seek the common good. Development, in the late 1960's, was being criticized by social scientists and academics within Latin America. They revealed a dangerous dependency (i.e. domination by the northern nations) inherent in development policies and efforts which were simply not working to improve the lives for the majority. In addition, there was a rise in the military regimes within Latin America during the 1960's and a growing unrest of people who had been promised a great deal but received only fewer jobs, poor housing, loss of land and ongoing impoverishment. The bishops at Medellin became the loudspeaker that broadcast the message of the masses to the Church and the world.

In writing Medellin's final document, the bishops made it clear that they were naming the evils in society and the international setting, calling for transformation in light of the message of the gospel, but they were *not* designing the strategy for societal reform. They said: "We do not have technical solutions or infallible remedies. We wish to feel the problems, perceive the demands, share the agonies, discover the ways, and cooperate in the solutions."<sup>28</sup>

The Medellin documents devote a significant amount to examples of economic injustices, critiquing things at the macro level by citing examples from daily life which they witnessed in their pastoral work with the people:

<P>easants <demand> better conditions of life; or if they are workers, better prices and security in buying and selling; the growing middle class feels frustrated by the lack of expectations....the small businessmen and industrialists are pressed by greater interests and not

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<sup>28</sup>Ibid., p. 91.



a few large Latin American industrialists are gradually coming to be dependent on the international business enterprises.<sup>29</sup>

The bishops went on to say that they could not ignore the "collective anguish" that existed as a result of concrete, economic and social injustices and deeply flawed structures around them. In the "Document on Peace," they said that the "temptation to violence" was rising understandably in Latin America, where peoples' patience has been abused in the face of continued oppression and worsening economic conditions.<sup>30</sup> The expression "institutionalized violence" came out of Medellin and it can be best explained by the excerpt from the "Document on Peace." It states:

In many instances Latin America finds itself faced with a situation of injustice that can only be called *institutional violence*, when, because of a structural deficiency of industry and agriculture, of national and international economy, of cultural and political life, "whole towns lack necessities, live in such dependence as hinders all initiative and responsibility as well as every possibility for... participation in social and political life," thus violating fundamental rights.<sup>31</sup> (Italics mine)

Regarding the need or right for participation in society, the Medellin bishops said that workers deserved a voice in creating a more human workplace and economic system. Authentic development, full human realization of aspirations, was owed to the people of Latin America who "experience a situation of dependence on inhuman economic systems and institutions: a situation which, for many of them,

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<sup>29</sup>Ibid., p. 98.

<sup>30</sup>Ibid., p. 110.

<sup>31</sup>Ibid., p. 110; citing Pope Paul VI, *Populorum Progressio*.





borders on slavery, not only physical but also professional, cultural, civic and spiritual."<sup>32</sup>

At the international economic level, the Medellin document makes statements that point to critical areas that worsen in the 1980's, such as the growing dependency on the North and the dangers of this (e.g. entangling foreign debt). It acknowledges that the poorer nations need to be heard by the richer nations and inequalities of trade and investment addressed. This was a prophetic cry that is still being heard today as nations of the two-thirds world push for a "new international economic order" based on just principles for all involved.

With regard to growing industrialization, the bishops were not romantic and simplistic; they realized that it was not necessarily evil or able to be stopped. The Medellin document states, in the section called "Direction of Social Change," that industrialization is necessary to any independent economy participating in world trade, but warns that:

It is indispensable to revise plans and reorganize national macroeconomies, preserving the legitimate autonomy of our nation, and allowing for just grievances of the poorer nations and for the desired economic integration of the continent, respecting always the inalienable rights of the person and of intermediary structures, as the protagonists of this process.<sup>33</sup>

In the "Document on Peace," examples of factors contributing to "international tensions and external neocolonialism" are given. These are:

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<sup>32</sup>Ibid., p. 101.

<sup>33</sup>Ibid., p. 103.



- Value of raw materials being eroded (in the face of manufactured products which always earn more)
- Capital and human flight; investments and profits leave Latin America & trained personnel also
- Tax evasion; multi-national corporations in collusion with governments avoid taxes, nations lose capital
- Growing debt burden a "possibility"<sup>34</sup>
- "International imperialism of money" condemned by two previous popes; encroaching economic dictatorships of northern nations due to insatiable greed.<sup>35</sup>

I find this particular section an extraordinary critique and analysis because it does not sound like bishops speaking; it contains language and ideas one would expect to come from economists or ethicists or politically progressive groups. The integration of economic critique that is specific and forceful with recommendations for church reform and solidarity with the oppressed is skillful, prophetic and manifests the foundations of a unique Latin American liberation theology which the world would take notice of.

The Medellin conference was not just prophetic at the ideological level; the documents reflect solid, socioeconomic critique and broad recommendations for new ways to approach old problems. Medellin's suggestions, or demands, address the actions that the church should take at the pastoral level regarding transforming society and empowering the poor, educating all within the church (hierarchy

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<sup>34</sup>If only they had known then how critical an issue the debt would be and how it would "strangle" their continent; I address this later in the paper.

<sup>35</sup>Medellin document in Hennelly, Liberation Theology: A Documentary History, pp. 107-108.





included) regarding social problems, as well as zeroing in on where the problems within society can be addressed. Medellin called for the most enormous shift of perspective; for seeing things in Latin America with new eyes and moving toward change with unprecedented energy and commitment in the light of faith.

Several changes in the church occurred as a result of the Medellin conference and the Puebla one which followed - 1) discussions of the poor began to be set in class terms, using some of the tools provided by Marxist analysis; 2) ordinary, real life experiences were valued for contributing to religious and political understanding; 3) "immersion experiences" of living among the poor became popular for religious men and women, clergy and lay people.<sup>36</sup>

Medellin affirmed the value and need for ecclesial base communities, or Christian base communities, which were one of the most effective means for evangelization and self-empowerment of the poor. Although my paper does not address their impact and growth, ecclesial base communities permanently transformed people's experience of Christian life; their shared experience of faith was done at the base level, within their communities, among their neighbors, and the church would never be the same again. The hierarchy of the church were not the sole mediators between God and the people any longer.

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<sup>36</sup>Daniel H. Levine, "The Impact and Lasting Influence of Medellin and Puebla," in Cleary, Born of the Poor, pp. 66-67.



### Moving liberation forward: from Medellin to Puebla

Puebla, Mexico was the site of the next major conference of Latin American bishops, theologians and lay people. The conference took place in 1979 and its nature was different than Medellin, while the heart of its message reiterated a commitment to the poor and to being a servant church. The overall title for the final document of Puebla connotes its need to center the concerns of the church not only in social and pastoral issues, but with its mission to spread the Good News of the kingdom; the title was "Evangelization in Latin America's Present and Future." Covering all the bases, the introduction to the final document explains it in this way:

Throughout the course of a rich historical experience, filled with bright moments and dark shadows, the great mission of the Church has been its committed involvement in faith with the human being of Latin America: with that person's eternal salvation, spiritual victory, and full human development.<sup>37</sup>

The context for the Puebla conference helps one understand its complexity and the effort and struggle involved to finalize the enormously long documents that were the product. Unlike the Medellin conference, there had been a two-year preparation period for Puebla; papers were circulated, preliminary meetings were held, and the conservative factions within the Roman Catholic Church in Latin America exerted their influence. The conservative hierarchy within the church did not like the direction that Medellin had taken with regard to liberation ideas and class analysis language in favor of a transformed servant church.

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<sup>37</sup>Third General Conference of the Latin American Episcopate, "Evangelization in Latin America's Present and Future," in Puebla and Beyond, eds. John Eagleson and Philip Scharper (Maryknoll, New York: Orbis, 1979), p. 126.



Without explaining all the gyrations involved at Puebla, the conservative faction did not triumph over the progressive bishops and theologians and base community representatives. While only the bishops were permitted to vote, the "outside-the-conference-hall" influence of the people who wanted to press forward the agenda and stance of Medellin was significant. In the end, the core of Medellin's stance was maintained, if not strengthened. Penny Lernoux describes Puebla as a rejection of a throwback to an authoritarian church allied with the upper and middle classes and states that "<Puebla> not only reconfirmed the commitment made at Medellin, but went beyond it, as, for example, in singling out the base communities as a model for evangelization."<sup>38</sup>

Puebla's denunciations of the injustices apparent in the socioeconomic context were strong and detailed. Within the final document, not only is the economic situation described (as at Medellin) but the causes for poverty are outlined. It states that the free-market economy "has increased the gap between the rich and the poor by giving priority to capital over labor, economics over the social realm."<sup>39</sup> This was not so unusual a message, but the bishops went on to describe the failures and dangers of development policies that allow the rich to profit but keep the poor in miserable situations.

In the face of economic crises concurrent with some growth in Latin America

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<sup>38</sup>Penny Lernoux, "The Journey from Medellin and Puebla: Conversion and Struggle," in Born of the Poor, p. 53.

<sup>39</sup>Puebla #47, in Eagleson and Scharper, Puebla and Beyond.





during the 1970's, which benefitted already-affluent investors and those aligned with foreign interests, Puebla pointed out that:

These cycles < of economic crisis accompanying modernization > intensify the sufferings of our people when a cold-hearted technocracy applies developmental models that extort a truly human price from those who are poorest. And this is all the more unjust insofar as the price is not shared by all.<sup>40</sup>

The bishops went on to detail the "underlying roots of these realities" which were causing the growing gap between rich and poor people, making poverty the growing by-product of modernization throughout the continent.

The Puebla final document states that the causes for poverty and huge economic inequalities are: 1) economic systems that are not human-centered; 2) nations as "small entities" negotiating ineffectively for change rather than as a larger bloc; 3) dependence, self-centered and damaging multinational corporations, and unfair trade policies (and low prices of raw materials); 4) the arms race - money drain on societal projects that improve people's lives; 5) bad agricultural policies that rob the peasants of access to land and ability to market product; 6) the ethic of materialism and dominion over the world (sinfulness).<sup>41</sup>

Puebla mirrored the beliefs of the social scientists and economists who created a theory of dependency which held that development policies were accompanied by resultant dependency and continued underdevelopment for Latin America. The Puebla document claims that two contradictory tendencies have manifested

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<sup>40</sup>Puebla #50.

<sup>41</sup>Puebla #63-70.



themselves since Medellin: the growing efforts toward modernization and increasing focus on technology (especially in urban areas), as well as the "the pauperization and growing exclusion of the vast majority of Latin Americans from production."<sup>42</sup> The result of this, they say, is that the wealth remains in the hands of a privileged minority; the benefits of technology and development do not help the quality of life improve for the majority who are poor - they, in fact, are multiplying as a result. "The growing affluence of a few people parallels the growing poverty of the masses."<sup>43</sup>

Perhaps what is most remembered about the Puebla conference is the call for the church to make visible in its pastoral commitments and ecclesial positions "a preferential option for the poor." This key phrase calls for a church that shows or gives a preference to the most exploited and ignored group in Latin America: the poor. This did not mean that all other groups were to be excluded or ignored by the church, but the poor and the causes of their poverty were to be a focus for the church as it carried out its mission of evangelization. The exact passage from Puebla's final document explains the "why" of a commitment to this preferential option:

With renewed hope in the vivifying power of the Spirit, we are going to take up once again the position of...Medellin, which adopted a clear and prophetic option expressing preference for, and solidarity with, the poor. We do this despite the distortions and interpretations of some, who vitiate the spirit of Medellin, and despite the disregard

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<sup>42</sup>Puebla #1207.

<sup>43</sup>Puebla #1209.





and even hostility of others. We affirm the need for conversion on the part of the whole Church to *a preferential option for the poor*, an option aimed at their integral liberation.<sup>44</sup> (Italics mine)

When the contributors to the Puebla documents assessed the ten years since Medellin, they realized that the economic situation of the poor had not improved, nor had it remained the same. It had, in fact, worsened. The "cry of the poor" acknowledged at Medellin was still there; justice and respect for basic human rights in Latin America which the poor cried out for had eluded them. Puebla states:

The cry might well have seemed muted back then. Today it is loud and clear, increasing in volume and intensity, and at times full of menace...Our mission to bring God to human beings, and human beings to God, also entails the task of fashioning a more fraternal society here.<sup>45</sup>

Briefly touching upon the controversy of liberation theology's purported endorsement of Marxism, which surfaced within the different factions of the church between Medellin and Puebla, there is no question that liberation theologians used the tools and class analysis of Marxist political and economic theory. Both Medellin and Puebla address this issue in more than one place in their documents, criticizing both liberal capitalism as well as Marxism for their tendency to erode the centrality of human dignity. Puebla's final document warns of overreaction within the church to the scapegoat of Marxism which might deprioritize the push for social justice:

Fear of Marxism keeps many <in the Church> from facing up to the oppressive reality of liberal capitalism. One could say that some people, faced with the danger of one clearly sinful system, forget to

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<sup>44</sup>Puebla #1134.

<sup>45</sup>Puebla #89-90.



denounce and combat the established reality of another equally sinful system.<sup>46</sup>

The bishops at Puebla emphasized that Marxism had often been concretized in repressive totalitarian regimes which were antithetical to everything that liberation theology espoused, therefore it could not be considered an acceptable doctrine for Christians who sought full human development and participation for all within society.

Additionally, Puebla expressed a concern for the methodology that Marxist analysis might foster: "The consequences <of a praxis based primarily on Marxist analysis> are the total politicization of Christian existence, the disintegration of the language of faith into that of social sciences, and the draining away of the transcendental dimension of Christian salvation."<sup>47</sup> Puebla stood in a middle position ultimately, not succumbing to the pressures of reactionary conservative forces within the Latin American church hierarchy, nor claiming to be a church that advocated revolution as its theology.

Just as Puebla proclaimed a worsened situation for the oppressed majority within Latin America since Medellin, economist José Pablo Arellano expresses the situation of continued misery for the poor and powerless from the viewpoint of the 1990's:

<T>he conditions of injustice that Medellin denounced certainly have not lessened and frequently have been aggravated

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<sup>46</sup>Puebla #92.

<sup>47</sup>Puebla #545.



because of economic and social stagnation of recent years. The situation today desperately requires the proclamation and healing effect of hope. The church should inspire this hope and should encourage whoever can to find new forms of confronting our socioeconomic problems. We should remember that crises frequently generate opportunities to find new paths.<sup>48</sup>

The prophetic message and witness of the Latin American church has remained strong for the past twenty-five years in the face of conservative factions within the church and would-be censors from outside the church also. The growing conservatism of the official, hierarchical church (initiated by the Vatican) may create a network of bishops who will try to move the church backwards to a pre-Medellin frame of mind. Surprisingly, Gustavo Gutierrez remains *more* optimistic now, in the 1990's, than he was back in the early days of liberation theology. He explains it in this way:

What is new in Latin America is not oppression and repression; unfortunately, both are very old problems for our continent. What is new in Latin America in the last years is a different historical, social, and political consciousness among the poor. What is new is the grassroots organization of people, poor persons striving for their rights....The poor must take <and are taking> their destiny into their own hands.<sup>49</sup>

The messages of Medellin, Puebla and of the liberation theologians has been consistent; as Gutierrez puts it, the church must be *fully present in* the world of, as well as *in service to*, the poor, both in Latin America and throughout the world if it

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<sup>48</sup>José Pablo Arellano, "An Economist Views Medellin and the Present Crisis," in Cleary, Born of the Poor, p. 142.

<sup>49</sup>Gutierrez, "Church of the Poor," in Cleary, Born of the Poor, p. 21.





is to be faithful to the message of the gospel. The message of Christ has never changed.



## CHAPTER VII

### ECONOMIC REALITIES IN LATIN AMERICA: 1980's - 1990's

#### Origin and Effects of the International Debt Crisis

Some of the major works of liberation theology were written in the 1970's, describing and critiquing the economic setting of Latin America at that time. The situation described was one of failed development efforts, of relationship with the North characterized as dependent and dangerous, and an awareness that poverty and misery for the masses of Latin America had not abated. The reality of the debt crisis (which would strangle the Third World and most of Latin America) evolved during the 1970's, worsened during the 1980's, and remains a key issue in the global economy of the 1990's. Liberation theologians, popular movement groups and churches continue to name the debt crisis as a key concern in the battle for survival in Latin America.

Describing the whole truth of the Latin American economic context requires some discussion and history of this more recent form of dependency: external debt. The dependency is now upon the international financial institutions as well as other governments, solidified by the terms of the loans that have been extended to, or foisted upon, Latin America.

The most prevalent myth about the debt crisis is the one which suggests that the Third World nations are solely to blame for the crisis; that their mismanagement





or avariciousness created the crisis. Instead, the blame belongs to many parties. The culpability of the international banks, financiers and northern governments becomes obvious as one looks at the facts. Also, the economic climate of the international capitalistic economy is as much a cause as it is a backdrop for the debt crisis of the southern nations of the world - a crisis that still is misunderstood but one which claims many victims in its "path."

The international debt crisis didn't start out as a crisis. It started out as a result of too much money flooding the markets, coupled with banks that capitalized on an opportunity to make easy money with huge profits and unwise, if not downright dangerous advice, being given to both lenders and borrowers. Still, this is too simplistic a description. Some facts may help point out the crisis nature of this situation and its undeniable link to poverty and hunger throughout the Third world.

The total debt of the Third World (using 1990 figures) is \$1,319,000,000,000; that is, \$1.319 trillion. An example of the magnitude of the debt and the impact of interest rate increases is that between 1978 and 1983, the interest payments of Latin America on its debt increased by 360%.<sup>50</sup> Budget cuts in aid such as food subsidies and health programs (a siphoning-off to pay for the debt and austerity measures required by creditors) resulted in the deaths of one million African children over the past decade, according to a Unicef study.<sup>51</sup> The effects are similar in Latin America and throughout the South in that the money which a government might use

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<sup>50</sup>Ibid., p. 149.

<sup>51</sup>Ibid., p. 149.



for social programs to improve life for its citizens goes toward servicing the enormous debt's interest rates.

The word "aid" (often applied to what are in fact loans) begins to look like a misnomer. Most people tend to think of aid not as loans with giant, insidious strings attached or as military aid meant to serve creditors' interests, but as benevolent assistance from prosperous nations helping those in need. The facts of the debt crisis prove this to be false, unfortunately.

*Bank facts:* foreign profits of the seven biggest US banks went from 22% in 1970 to 60% in 1982. "The total net transfer of cash from the Third World to the rich countries rose from \$7 billion in 1981 to \$56 billion (1983) to \$74 billion (1985)."<sup>52</sup>

*Trade facts* help illustrate the magnitude of the debt also:

Most people think that the rich world helps the poor world by sending it aid. The sad reality is that, even at the best of times, the amount the First World sends in aid is less than half of what we take from the Third World in terms of the tariffs and duties we impose on the raw materials they sell us....According to the figures published by the World Bank in 1990 the countries of the Third World in the previous year sent some \$52,000,000,000 more in debt repayments than they received <in aid> from us.<sup>53</sup>

During the 1970's and 1980's, a small "fire" of increased debt turned into an out-of-control blaze, consuming the victimized poor in its path. The champions of free market trade and of borderless capitalism fanned the flames with their

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<sup>52</sup>Ibid., pp. 161-162.

<sup>53</sup>Paul Vallely, Bad Samaritans (Maryknoll, New York: Orbis, 1990), p. 4.



oppressive loan terms, higher-than-market interest rates, and required adjustment policies.

A common understanding is that the OPEC oil price increase in 1973 was the beginning of the debt crisis. It is true that the Third World nations, already immersed in development projects funded by the northern banks, needed more funds to buy oil to transport their cash crops for export and to keep their capital cities going, but the debt problem began well before this when northern banks had excess money and encouraged poorer nations to borrow from them in order to keep up, or catch up, with the industrialized North.<sup>54</sup>

Loans were arranged with the developing countries by overly eager banks that had bought money cheaply on the world market and were well in place before the oil crisis in 1973.<sup>55</sup> The reservations that some bankers and economists had about the Third World debtors' ability to pay back the loans were ignored by the World Bank and other lenders who pushed projects forward with the borrowing countries.

(Back to the mid 1970's and oil price increases): Latin America and the rest of the Third World had to refinance their loans, at higher interest rates, of course, and with stricter terms. The OPEC nations invested their profits in northern banks who needed to lend it out to earn the interest owed OPEC. The banks (in Europe and the US) were competing keenly for new customers and the short term easy profits to be made were more important than sound and responsible borrowing

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<sup>54</sup>Ibid., p. 149.

<sup>55</sup>Cheryl Payer, Lent and Lost (New Jersey: Zed books, Ltd., 1991).





agreements.

Some of the borrowed money was spent as irresponsibly by the Third World as it had been foisted upon them. The money went for more expensive but needed oil, interest payments, weapons (excessive in some cases), bribes to local rich elite, and grandiose projects like dams and power plants expected to encourage foreign investment.<sup>56</sup> The oil saga continued; prices rose again and the Third World came back to the well for more loans to keep up. This time the interest rates were higher again (the loans were not fixed rate ones) and the terms subject to the International Money Funds's stamp of approval and control over borrowers' economies. Julio De Santa Ana, a theologian from Uruguay, illustrates the changes in interest rates as follows:

Till 1978-9, the rate charged by the private banks of the North varied between 6 and 8% per annum. Towards the end of 1979 it shot up to 20%, remaining at around 15% for several years. It began to come down in 1984, and now stands <in 1986> at around 9.5% (which is certainly higher than can be considered 'normal')....This international usury is designed to consolidate the security of the rich. *But this security is bought with the blood of the poor.*<sup>57</sup>

In addition to oil price increases and more loans at higher rates, there was a widespread recession in the early 1980's and the South could not sell its exports to the North at former prices. Their earnings fell and new loans had to be negotiated again simply to service their debt, that is to make the required payments. People in

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<sup>56</sup>Vallely, pp. 149-158 passim.

<sup>57</sup>Julio De Santa Ana, "How the Rich Nations Came to be Rich," in Option for the Poor: Challenge to the Rich Countries, eds. Leonardo Boff and Virgil Elizondo (Edinburgh: T. & T. Clark Ltd., 1986), pp. 14-15.



Latin America earned less due to a soft export market and had less buying power; their standards of living, already bad, worsened.

During this time, the banks were silent on the important issues; they were blind to the fact that the oil prices might not come down soon and that the commodity prices would not go up. The banks did not suggest cutbacks on spending and development to Third World borrowers; they simply let them go on with original plans - plans recommended and even required by the lenders.<sup>58</sup> A harsh analogy might be to describe the banks as drug pushers, giving countries a sample "taste" and getting them hooked, then raising the price of the drugs while "helping" the user fund their habit.

The IMF and World Bank, which were touted by the creditor governments and banks as the institutions holding a monopoly of wisdom on how to put a debtor's financial house in order, were in reality inciting its clients to heavier spending and more borrowing. This subverted the borrower's ability to service their debts in the long run, but in the short run it served perfectly the desires of the creditor governments which control those institutions to maximize their *access to markets* in the target countries. The Fund and Bank must be considered among the major perpetrators of the debt crisis.<sup>59</sup> (Italics mine)

The poor of the debtor nations never had a voice in any of this - it was a game played only at the top. But the "structural adjustments" and austerity programs imposed by the IMF and other institutions affected the daily lives of the citizens and especially the poor. The point of these "adjustments" is to rechannel a nation's

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<sup>58</sup>Payer, Lent and Lost, p. 75.

<sup>59</sup>Ibid., p. 82.





income and resources to insure that the loans are paid back - it is never (as it should instead be) to see how much *can* be paid on a loan without major hardship to the people.<sup>60</sup> Measures taken in adjustment programs are that wages get lowered, social programs are cut (health care and education), and the currency devalued. Barriers to imports are dropped and imports from creditors' countries that may compete with local products flow in, a shameful testimony to the so-called free market trade system. Within the international financial community there are no protections set in place which guarantee fair prices on exports from the Third World who rely mostly on exports of raw materials.

Nothing sums up the shared blame for the decades of debt crisis better than Paul Vallely's words from *Bad Samaritans*:

The IMF seems fixed in its view that most of the blame for all this belongs primarily with the Third World governments. But...there is a clear order of culpability. It begins with *an unfair order*, established through violence and exploitation. It proceeds through a series of *mechanisms of trade and finance* which...are inherently loaded against the poor. It continues through the wilful refusal of the *rich nations* to make any serious concessions...It extends through the responsibility of the *oil-producing nations* which sought maximum profit from the money they squeezed from the industrialized world...It persists through the *banks* which sought to make, and are still making, large profits from the oil bonanza in a bout of reckless lending. It touches the *governments* of the Western world which abdicated the responsibility to control this cash surge for the general good. It ends with *the elites of the Third World* who borrowed irresponsibly and used the money inefficiently and even corruptly.<sup>61</sup> (Italics mine)

The debt crisis in Latin America is not only an economic crisis that affects the

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<sup>60</sup>Vallely, *Bad Samaritans*, p. 187.

<sup>61</sup>Ibid., p. 188.



international financial community or creates shrinking markets for international capitalism; it is much more than this. It is a crisis that kills the poor people of Latin America; it kills them less overtly than weapons and war, but it surely kills through disease, hunger, violence and repression.

The terms of the foreign debt, imposed by the international financial lenders, strangles the amount of money that the South has for improving the quality of people's lives. Nations deep in debt are commanded to improve opportunities for outside investors but to minimize improvements for the poor who are landless and jobless. As Jimmy Carter said in a 1987 interview:

There are probably fifty nations on the earth now that will never repay the principal on their debt and in which it takes a substantial proportion of their earnings just to *service* their debt. <In the developed nations> we look upon this as an attack on the substantiality or profitability of our bank stock. But with those people it's life or death.<sup>62</sup>

There is an ethical, moral imperative to solving this international debt crisis which affects two-thirds or more of the world's population. Future development projects or any form of legitimate assistance will be sabotaged by the magnitude of this financial crisis in the Third World. International solutions to the debt crisis reality must be found or Latin America will be the defeated outcast in a new world order and the majority of its people will continue to die of hunger, disease and political/military repression and violence.

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<sup>62</sup>Jimmy Carter, "Meaningful Alternatives," in An Agenda for the 21st Century, ed. Rushworth M. Kidder (Cambridge, MA: MIT Press, 1987), p. 179.



## Latin America Now: The Post-Cold-War Era & Evolving New World Order

The social and economic situation of Latin America since the early days of liberation theology, the Medellin conference in 1968, and after the "lost decade" of spiralling debt in the 1980's is even more somber. Conditions for the majority of people have worsened and the tone is often one of pessimism, impotence and frustration. The number of Latin American people living in poverty went from 112 to 184 million between 1980 and 1990, according to the U.N. Economic Commission on Latin America. It is apparent that the alternatives which were implemented in the 1980's have largely failed.<sup>63</sup>

There are now less government expenditures on public projects or social programs in all countries of Latin America; unemployment is rampant and larger numbers of people lack basic human needs. Economies are focused on debt servicing and not on investments for sustainable growth. The majority of people, the poor of Latin America, find that the quality of their lives in the 1990's is even more miserable than before. This is the reality at the start of a new century, in the unfolding new world order and post-Cold War era.

The end of the Cold War between the U.S. and the former Soviet Union along with the democratization of eastern Europe signal the downfall of communism in the western world. This is extended to demonstrate, perhaps erroneously, the non-viability of socialism also - but that is a conversation too lengthy to have here.

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<sup>63</sup>Luis Ugalde, S.J., "The Present Crisis of Society and the Church," in Cleary, Born of the Poor, p. 116.





The important facts are that this new post-Cold War era creates both problems as well as opportunities for Latin America within its borders and in its relationships with the rest of the world.

With the end of the Cold War, the threat or hope (depending on one's viewpoint) of communism or socialism taking hold in Latin America has virtually disappeared. Jorge Castañeda, a political scientist, points out that the end of a "Soviet threat" has both positive and negative repercussions, particularly as to how it affects U.S. policy toward Latin America.

Castañeda points out that the U.S. can no longer use the pretext of stopping the spread of communism, or preventing the USSR from gaining a stronghold, as permission to fund counterrevolutionary forces and intervene militarily in Latin America (e.g. supporting the Contras in Nicaragua, military assistance for the rightist government of El Salvador). He points out that while the U.S. might interfere less in Latin America now that the "evil empire" has fallen, it is also likely that new pretexts for U.S. meddling will be found. In fact, new pretexts have been steadily evolving and appear regularly in news events involving Latin America: drug enforcement, immigration deterrence, political instability and regional conflicts.<sup>64</sup>

What will the real reasons be, beyond the pretexts, for continued U.S. interference in Latin America's affairs? The answer can only be economic interests. (Whether it has actually been anything else is an interesting question.) In the new

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<sup>64</sup>Jorge Castañeda, "Latin America and the End of the Cold War," Cross Currents (Summer 1991):196-197.



world order, economic power is as important as military power. In fact, military power may now be used *primarily* to protect or create economic power.

The U.S. and other northern nations would lose major economic power if they did not maintain economic and political control over Latin America and other countries that have the natural resources they need, especially oil. The U.S. also needs to increase, as well as maintain, the domain of international capitalism via multinational corporations in Latin America (many U.S.-owned) and financial institutions if it is to maintain its power within the global economy. Consequently, the U.S. will find justification for continued control of Latin America's policies; economic and political autonomy for nations within Latin America will be hard-won if not impossible.

Debt payments, the most key tether that connects Latin America to the U.S. and Europe, undergirds the profit-making of international lending institutions, which are heavily-influenced by the U.S., and may motivate continued U.S. engagement in Latin American politics. Maintaining "stability" in Latin America is a pretext for military intervention, even without the threat of impending communist control; the Pentagon calls this *low intensity conflict* and it enables Latin America's life-blood (capital) to continue flowing to the North.

As Xabier Gorostiaga states: "Debt has substituted the direct investment of the 1970's <which might help a nation grow> as a mechanism to extract net





financial transfers out of Latin America."<sup>65</sup> During the conquest and colonization of Latin America, Spain and Portugal extracted gold and other raw materials for their own development and economic power; natural resources are now overshadowed by the "extraction" of enormous amounts of money required to service old debts and fuel the international financial empire.

So, while the U.S. may intervene less militarily and overtly in Latin America due to the end of the Cold War, it may also use new justifications for continued manipulation. The recent tone of many Latin Americans is one of cautious optimism and a conviction that new forms of relationships must be forged with nations that hold economic and military power, that is, primarily the U.S., along with Europe and Japan. As Luis Ugalde suggests:

Surely the diminishment of pressures from an "external enemy" (in this case, communism) will permit and oblige our countries and the United States to approach the solution to their social problems in a less repressive and warlike manner. In summary, we say that the only option open to Latin America in the immediate future is international negotiations and that the principal participant is the United States.<sup>66</sup>

Latin America's need for new international relationships must be preceded by a revamped relationship with the United States;<sup>67</sup> how this will be done, and what it will look like is still being visualized. The complexities of trade, debt, democracy and militarization are immense. And beyond this, what will relationships within the

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<sup>65</sup>Xabier Gorostiaga, "Latin America in the 'New World Order,'" Envio (August 1991):36.

<sup>66</sup>Ugalde, "The Present Crisis of Society and the Church," p. 124.

<sup>67</sup>Ibid., p. 123.



new world order look like; how does Latin America fit into it; how and by whom will it be shaped? Xabier Gorostiaga describes what a humane new world order looks like:

A truly global world requires an alliance of common values able to link together 21st-century civilization. It is an alliance of common material interests in the face of shared threats (ecological crisis, security and disarmament, regional crisis, etc.) Without this alliance, imposed political power will determine the future within the very same parameters that have brought us to civilization's current crisis.<sup>68</sup>

One of the greatest fears of Latin Americans is that the post-Cold War era could exacerbate the growing trend toward being forgotten, or left out of all assistance programs in the form of aid from other countries or private investments and credit. This is often referred to as the "Africanization" of Latin America, referring to Africa's diminished importance in aid allocations and development programs in the 1990's.

The development and reform policies (often under the guise of humanitarian economic assistance) that were employed in order to insure stability from the 1960's to the 1980's are of less importance to the North now. Where the focus of economic critique and analysis expressed by either liberation theologians or economists had been on development ethics (especially in the 1970's), the realities of the 1990's reshape this discussion. As Pablo Richard puts it: "Capitalism no longer has any competition <from socialism>, and thus no longer needs a human face;" a more

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<sup>68</sup>Gorostiaga, "Latin America in the 'New World Order,' p. 42.



savage and ruthless capitalism can encroach more freely on Latin America.<sup>69</sup>

Writing in 1992, Richard says:

In today's capitalism, the dichotomies of development-liberation, reform-liberation and dependency-liberation lose their meaning. Today the radical confrontation is between life and death. Capitalism is abandoning its reform and development policies for the South as a whole.... <The South> can no longer be called dependent, but is simply nonexistent. We have moved from dependency to dispensability; today being dependent even seems to be a privilege.<sup>70</sup>

Latin Americans are also concerned with the western world's interest in development and investment in the formerly-communist countries of eastern Europe and Russia's republics. They rightfully fear that the pieces of the pie will be sliced differently now and they will obtain a smaller and smaller piece of government aid and private investment.

In addition, with the economic focus on the current North American Free Trade Agreement between Mexico, Canada and the U.S., and the former Soviet Union's need for stability, Latin America as a continent is currently fading from the spotlight of international attention. Castañeda says that "Latin America is woefully out of fashion, perhaps out of date;" he feels that it may find itself being ignored by the rest of the world as well as adjusting to new U.S. pressures on its policies.<sup>71</sup>

There is a diminished need of raw materials in production processes of the North, which is reducing the prices that Latin America or Africa can earn from

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<sup>69</sup>Pablo Richard, "Liberation Theology Today: Crisis or Challenge," Envio 2 (August 1992):25.

<sup>70</sup>Ibid., pp. 25-26.

<sup>71</sup>Castañeda, "Latin America and the End of the Cold War," p. 203.





exports, a chief source of capital for paying off or at least servicing their debt. Even labor, a formerly-desirable resource in these regions, plays less importance to the international economy which is becoming more automated and less people-dependent.<sup>72</sup> The squeeze of these forces puts strains upon an already-strained Latin America.

Not only is capitalism less humane now, but it is a "sacrificial capitalism: the lives of the poor are sacrificed to save the free market system."<sup>73</sup> But the South must "play ball" in the international capitalist system or expire. The shift to a more humane international capitalism, needed if poorer nations are to survive within the system, will be an enormous challenge. Still, there is no question that changes in the international economy must be made if the nations, people and environments of the Third World are to survive. John Willoughby, an economics professor from the U.S., states it clearly:

It is useful...to remind ourselves that no restructuring of the world economy can guarantee by itself the meeting of basic needs of the masses of people in the world today. Nevertheless, international finance plays a major role in shaping each nation's economic prospects. Our challenge is to persuade the citizens of the advanced industrial world that reform of the international economic order *matters*.<sup>74</sup> (Italics mine)

Whether the voices are those of liberation theologians, social scientists,

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<sup>72</sup>Gorostiaga, "Latin America in the 'New World Order,' p. 32.

<sup>73</sup>Richard, "Liberation Theology Today: Crisis or Challenge," p. 26.

<sup>74</sup>John A. Willoughby, "International Capital Flows, Economic Growth, and Basic Needs," in Human Rights and Basic Needs in the Americas, ed. Margaret E. Crahan (Washington, D.C: Georgetown University Press, 1982), pp. 210-211.



economists, churches, or the poor themselves, there is much unanimity in a cry for change in the global economy of the next century on behalf of the masses of people who will not survive if the system remains unchanged.





## CHAPTER VIII

### LIVING OUT LATIN AMERICAN LIBERATION THEOLOGY TODAY

#### Who is using liberation theology & what are they saying?

Liberation theology remains relevant and lively in Latin America today, especially in the life of Christian base communities. It has been described as a force which has accelerated change in peoples lives - in how they experience their Christian faith, how they look at their reality, enabling them to experience a new sense of empowerment and dignity through action.

New voices are being heard and are reshaping liberation theology as it is put into practice by the seekers of liberation, the marginalized of Latin America. There is a shift happening as the people who live and breathe this theology fine tune it to fit the present-day situations in their own communities and nations. Who are those who are using, reshaping and influencing this theology? Maria Clara Bingemer describes them as follows:

Today...the faces of these poor and oppressed look different. Out of the mass of faces of the great poor majority of Latin America three types in particular are emerging and attracting attention, presenting new challenges to church and society. They are the blacks, Amerindians, and women. These groups, oppressed for centuries by their color, race, and sex, are now essential for an evaluation of the theology of liberation and for any attempt to glimpse its future, be-



cause they bring into theology new issues, a new method, and a new language.<sup>75</sup>

She reminds us that although new faces are emerging in the movement for liberation and systemic change, these are the people without whom the liberation theologians and this theology itself, would not exist. They are the most oppressed groups of all within the poor majority.

Magdalena Columbia points out that the theology of liberation needs to pay attention to and be readjusted by these new faces: "All these groups <women, blacks, indigenous, children> have not been sufficiently listened to, not attended to, not responded to by the Church of the poor and by <the> theology of liberation."<sup>76</sup> That is, liberation theology must not overlook the demands these groups of people make for specific changes in the life of the church and within society.

On an affirming note, she uplifts the fact that base Christian communities have taken liberation theology into their midst over the past twenty-five years and used it as a tool for reflection and action in their daily lives, moving forward in the journey for self-empowerment. The work of liberation theology is, as she says, not done in universities, but among the people and the theologians who live and work with the poor. She reminds us that the "founding" work of Gustavo Gutierrez "did not arise from nothingness, nor did it arise from the clear vision of a privileged

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<sup>75</sup>Maria Clara Bingemer, "Women in the Future of the Theology of Liberation," in Expanding the View, pp. 173-174.

<sup>76</sup>Magdalena Columbia, "Challenges to Theology of Liberation," Ladoc 21 (Sept/Oct 1990):12.



mind."<sup>77</sup> It evolved from work begun all over Latin America in the 1960's, grounded not in abstract ideas but in real life. It has *always* been connected to the people, to their lives and their need for a totally reformed theology that faces the misery and works for change.

Liberation theology is presently able to thrive because of its life within the Christian base communities who live and breathe it on a daily basis in Latin America. Clodovis and Leonardo Boff have this to say about liberation theology's "real-life-ness:"

Liberation theology...does not shut itself up in *splendid isolation* but operates on the level of *everyday life*, where the fate of the individual is decided; there it seeks to take on the cause of the least of all not fearing the most rending conflicts in its efforts to guarantee at least the minimal requirements of human dignity, human life.<sup>78</sup>  
(Italics mine)

A common theme showing up in current writings on liberation theology is the shift from a church or theology "opting for the poor" to the poor *opting for themselves*; a shift toward self-empowerment. This means the end of the assumption that the non-poor are the only ones who are proactive. Yes, the church and theology ought to be on the side of and in solidarity with the poor, but the poor and marginalized are not just silent masses waiting for others to make changes in society *for* them.

Daniel Levine, a political scientist interested in Latin America, notes that the description of the church serving as a "voice for the voiceless" and "opting for the

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<sup>77</sup>Ibid., p. 8.

<sup>78</sup>Boff and Boff, Introducing Liberation Theology, p. 88.





poor"(popular phrases since Medellin and Puebla) are phrases with hidden assumptions in them:

<S>erving as a "voice for the voiceless" is not the same as listening to what the hitherto voiceless may have to say. What are the implications for the church when the poor act (and in this sense opt) to themselves, or when the voiceless find words to speak for themselves?<sup>79</sup>

The marginalized of Latin America are not voiceless or invisible; it just depends where one looks and listens. There are grass-roots movements among the people all over Latin America; people are trying to counteract the systems which seek to disempower them by organizing themselves into cooperatives, peasant unions, labor unions, and political organizations.<sup>80</sup> Changes are being made in small community groups by making demands upon those in power in order to obtain roads, sewers, water, schools.

Some of this has not been favorably received by those who are threatened by any action of the marginalized to improve their own lives. It's no wonder that these groups provide a threat to some governments and why they are being repressed, why people disappear without explanations. Repression by the police and military still occurs regularly, even in places thought to be "democratic" like Mexico, but it does not stop the impetus of popular movements. As one Guatemalan peasant put it: "A few years ago any peasant who joined a cooperative or took a course in adult

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<sup>79</sup>Daniel H. Levine, in Cleary, Born of the Poor.

<sup>80</sup>Richard Shaull, Heralds of a New Reformation (Maryknoll, New York: Orbis, 1984), p. 2.



education was considered subversive and might be killed at any moment. Today if you're poor, you're subversive."<sup>81</sup>

### Forecast for the future

The hope for societal transformation expressed by liberation theology is within Christian base communities throughout Latin America, where actual changes are occurring right now and where many popular movements are born. Regarding these changes in spite of increasing poverty, Juan Manuel Hurtado (a member of the theological commission of the Christian Base Communities of Mexico) writes:

The new society is born at the base. It is in community that the model of a new society is being constructed; it is in community where the values of a new society---mutual respect, equality, democracy, freedom---can be lived. In this sense the Christian base communities present a model and a precursor of life in a new society.<sup>82</sup>

This new society, elaborated upon in the early writings of liberation theology, is what popular movements, Christian base communities and the church are trying to create. The vision of a new society via revolution envisioned by Gutierrez and others in the late 1970's is now tempered by current realities of the world: the hope in socialism, a post-revolution option as in the case of Cuba, is diminished by the failure or "downfall" of communism. Total transformation of societies now seems impossible at the macro level; an international capitalistic system is spreading without

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<sup>81</sup>Ibid., p. 2.

<sup>82</sup>Juan Manuel Hurtado, "Christian Base Communities and the Neo-Liberal Project," Challenge 3 (Fall 1992):13.





control and "digging in."

Alternative economic solutions are being discussed at both the macro and micro level among these groups; leftist groups advocating change (not revolution) are trying to work within current political systems that are moving toward democratization. As Richard Shaull describes it, the poor do not simply want a "bigger piece of the pie;" they want to redesign the system that cuts up the pie so that it will work in a more fair way for the majority.<sup>83</sup> In a critique of the "neo-liberal project" (the present model of capitalism), Juan Manuel Hurtado describes the experience within Christian base communities:

When the poor take responsibility for their own lives, when they want to create their own social and economic project in accordance with their past, their interests and their possibilities, then the governments, the multinational corporations and the establishment press attack them. Our people are resisting, and struggling to survive and move forward.<sup>84</sup>

The work of building a just society in Latin America is coming about at the micro level, through community groups, churches and global consciousness-raising, not through revolutions, at least for the time being.

So where is the hope for a continued, transformative theology of liberation; where does the strength lie for people to struggle for liberation? Pablo Richard says that: "The Third World can live, resist and struggle with an ethic in which human life, not law, is considered as an absolute (law at the service of life, rather than life at the

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<sup>83</sup>Shaull, Heralds of a New Reformation, p. 3.

<sup>84</sup>Hurtado, "Christian Base Communities and the Neo-Liberal Project," p. 13.



service of law), and with an ethic of truth."<sup>85</sup> The voices of those whose lives are at stake are still crying out, envisioning solutions, naming the sins, and thriving on the hope that God's justice will be manifested on earth.

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<sup>85</sup>Richard, "Liberation Theology Today: Crisis or Challenge," p. 28.



## **CHAPTER IX**

### **CONCLUSION**

Latin American liberation theology expresses the hope, suffering, strength, and frustration due to impoverishment of the majority of the people. It integrates their spiritual life with their daily lives; it empowers them to continue fighting for their rights and a decent standard of living. Their Christian faith thrives on the life and teachings of Jesus Christ for sustenance and inspiration in the pursuit of liberation. Their sense of God instills them with the dignity that their societal structures deny them; they believe that human beings should not have to endure limitless suffering while they wait for their reward later, in heaven. Liberation theology keeps the flame alive in the hearts and minds of those on the periphery, those often viewed as expendable by heartless political or economic systems.

Latin American liberation theology reminds the rest of the world that one's belief in a divine, loving God must be lived out in practice. Liberation theology, at the same time, educates the world about the hard realities of life for the majority in Latin America and the rest of the Third World. Many different forms of liberation theology (Feminist, Womanist, African American) link our relationship to God, and the way we understand this, to the realities of the world around us, especially viewed from the perspective of the ones who have least (those who Jesus spoke of constantly)? Liberation theology, whether Latin American or another type, offers a





chance for a new way of relating to others, of building community, and restructuring society and its values so that the needs of all people, not just some, are met.

This study of economics and concrete realities expressed through Latin American liberation theology has confirmed *my belief in and intrigue with the inseparability of economic analysis and a theology of liberation*. The magnitude of the material problems in Latin America - increasing poverty, lack of basic human rights to housing, clean water, food, education, employment - bursts in upon any systematic understanding of God; that is, theology.

The power of Latin American liberation theology lies partially in its ability to wholeheartedly address the socioeconomic realities of the everyday lives of the people who populate Latin America. The desires of God for humankind are made incarnate in this particular theology which is unafraid to address the strength and pain of the lives of the poor and powerless. The upside-down values of love and justice named by Jesus are what drives liberation theology toward shaping a society and world reflective of the kingdom of God.

Pablo Richard believes that one of the strengths of liberation theology, useful to both its past and its future, is its engagement with economics. He states:

By *economics*, I mean here the safeguarding and continuation of everyone's life, but especially *the lives of the poor and oppressed* ....Here I am not talking about a dialogue between theology and economics, or a theological reflection on economics. I am saying that *life*, especially the lives of the poor, must be taken as theology's rationale.<sup>86</sup>

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<sup>86</sup>Pablo Richard, "Liberation Theology: A Difficult but Possible Future," in Expanding the View, p. 209.



The ultimate rationale for this study has been the belief that in order to affect changes that will improve the lives of the poor and marginalized in the world, one has to thoroughly understand the systems that oppress them; one must see what they are up against. Theology and living out the gospel message must not be done in "splendid isolation" but with our eyes fully open (seeing what *is*), minds sharp, tools at our sides, and hearts strengthened by hope and vision.

During the early stages of liberation theology in which some Christians in Latin America felt abandoned by the rest of the Christian world, Hugo Assmann wrote:

Latin American Christians are forced to find their own way. That is our position now. A little lost on our way, some will say - and why not admit it?: "Traveler, there is no path: *you make paths by walking*." But, lost or not, a creative force is emerging; the people are standing on their own feet, steeling themselves for the historic confrontation that must come.<sup>87</sup> <Italics mine>

Liberation theology, even twenty years after its "birth," offers a new path, a road that the world may not recognize because it hasn't been followed very much. The grass on this new path has barely been flattened by the feet of others, still we know it's there; we can hardly see where this path is, but some of us know we want to follow it because we know its destination.

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<sup>87</sup>Hugo Assmann, Practical Theology of Liberation, p. 43.





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